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APPLICATION NO.	FILING DATE	FIRST NAMED INVENTOR	ATTORNEY DOCKET NO.	CONFIRMATION NO.
10/691,806	10/21/2003	Steven P. Barton	112703-294	6662
29156 7590 01/30/2009 BELF., BOYD & LLOYD LLP P.O. Box 1135 CHICAGO, IL 60690				
EXAMINER SHAPIRO, JEFFERY A				
ART UNIT		PAPER NUMBER		
3653				
MAIL DATE		DELIVERY MODE		
01/30/2009		PAPER		

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UNITED STATES PATENT AND TRADEMARK OFFICE

BEFORE THE BOARD OF PATENT APPEALS
AND INTERFERENCES

Ex parte STEVEN P. BARTON and
PAUL CHIBE

Appeal 2008-2082
Application 10/691,806
Technology Center 3600

Decided: January 30, 2009

Before MURRIEL E. CRAWFORD, HUBERT C. LORIN, and
MICHAEL W. O'NEILL, *Administrative Patent Judges*.

LORIN, *Administrative Patent Judge*.

DECISION ON APPEAL

STATEMENT OF THE CASE

Stephen P. Barton, et al. (Appellants) seek our review under 35 U.S.C. § 134 of the final rejection of claims 44-68, 76, and 102-111. Claims 1-43, 69-75, and 77-97 have been cancelled and claim 98-101 have been withdrawn. We have jurisdiction under 35 U.S.C. § 6(b) (2002).

SUMMARY OF DECISION

We AFFIRM.¹

THE INVENTION

The invention relates to methods of providing products at point of purchase devices such as “self-scanning checkouts at grocery stores and supermarkets.” (Specification 3:2-3).

Claim 44 is illustrative of the claimed invention.

44. A method of operating an automated checkout comprising:

- allowing a consumer to bring purchasable items to an automated checkout device;
- allowing the consumer to scan the purchasable items and accumulate a cost for the scanned items on a display;
- allowing the consumer to select a product from a dispensing device located in juxtaposition to the automated checkout;
- storing the product to be dispensed in the dispensing device,
- automatically dispensing the product from the dispensing device in response to the consumer’s selection; and
- automatically adding a cost of the product to the cost for the scanned items on the display.

THE REJECTIONS

The Examiner relies upon the following as evidence of unpatentability:

Bustos

US 5,816,443

Oct. 6, 1998

¹ Our decision will make reference to Appellants’ Appeal Brief (“App. Br.,” filed Jul. 12, 2007), the Examiner’s Answer (“Answer,” mailed Oct. 16, 2007) and the Reply Brief (“Reply Br.,” filed Dec. 10, 2007).

Walter	US 5,992,570	Nov. 30, 1999
Terranova	US 6,882,900	Apr. 19, 2005

The following rejections are before us for review:

1. Claims 62-64 are rejected under § 102(e) as being anticipated by Terranova.
2. Claims 44-68, 76, and 102-111 are rejected under § 103(a) as unpatentable over Bustos, Walter, and Terranova.

ISSUES

The first issue before us is whether the Appellants have shown that the Examiner erred in rejecting claims 62-64 as being anticipated by Terranova. This issue turns on whether Terranova explicitly or inherently describes the step of “obtaining a fee paid from a supplier of the product in exchange for allowing the product to be dispensed from the point of purchase device” given the broadest reasonable construction of the claim in light of the Specification as it would be interpreted by one of ordinary skill in the art.

The second issue before us is whether the Appellants have shown that the Examiner erred in rejecting claims 44-68, 76, and 102-111 as unpatentable over Bustos, Walter, and Terranova. A major question raised is whether the prior art shows products from a dispensing device located *proximate* or in *juxtaposition* to an automated checkout. This applies to independent claims 44, 76, and 102. Questions are also raised as to whether the cited prior art would lead one to include various elements recited in the claims.

FINDINGS OF FACT

We find that the following enumerated findings of fact (FF) are supported by at least a preponderance of the evidence. *Ethicon, Inc. v. Quigg*, 849 F.2d 1422, 1427 (Fed. Cir. 1988) (explaining the general evidentiary standard for proceedings before the Office).

Claim construction

1. Claim 62 uses the term “supplier.”
2. The Specification does not provide a definition for “supplier”.
3. The ordinary and customary meaning of “supplier” is something that provides. (*See Webster’s New World Dictionary* 997 (3rd Ed. 1988.)(Entry 1 for verb transitive “supply”: “to give, furnish, or provide”.))
4. Claim 62 uses the term “fee”.
5. The Specification does not provide a definition for “fee”.
6. The ordinary and customary meaning of “fee” is a charge. (*See Webster’s New World Dictionary* 997 (3rd Ed. 1988.)(Entry 2 for “fee”: “payment asked or given for professional services ...; charge.”))
7. Claim 62 provides for a step of “obtaining a fee paid from a supplier of the product in exchange for allowing the product to be dispensed from the point of purchase device.” This can be restated as the supplier of a product paying a fee in exchange for allowing its product to be dispensed from the point of purchase device.
8. Independents claim 44 and 102 use the term “juxtaposition.”

9. Juxtaposition means “to put side by side or close together” (*See Webster’s New World Dictionary* 997 (3rd Ed. 1988.)(Entry for “juxtapose.”)
10. Independent claim 76 uses the term “proximate.”
11. Proximate means “next” (*See Webster’s New World Dictionary* 1083 (3rd Ed. 1988.)(Entry for “proximate.”).

The scope and content of the prior art

12. Terranova describes a gas station pump for dispensing fuel coupled to a retail purchasing device. See Fig. 3.

Terranova Figure 3 is reproduced below:

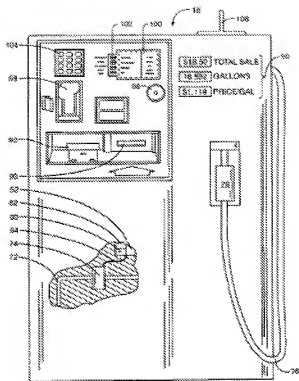


FIG. 3

Terranova Figure 3 is said to depict “a fuel dispenser shown constructed according to the present invention.” Terranova, col. 2, ll. 63-64.

13. Bustos is directed to a pneumatic dispensing device. See Figs. 5A and 5C.

Bustos Figure 5A is reproduced below:

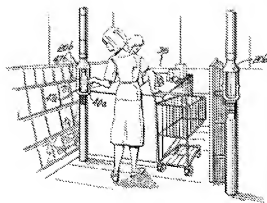


FIG. 5A

Bustos Figure 5A is said to depict “a perspective view of an alternative embodiment of the system of FIG. 1.” Bustos, col. 7, ll. 4-5.

Bustos Figure 5C is reproduced below:

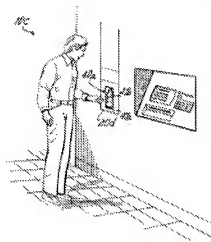
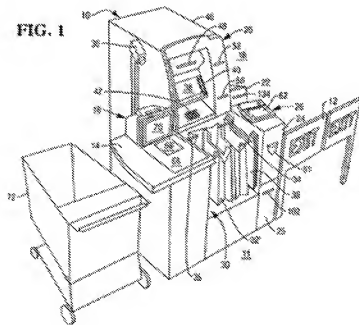


FIG. 5C

Bustos Figure 5C is said to depict “a perspective view of another alternative embodiment of the system of FIG. 1.” Bustos, col. 7, ll. 8-9.

14. Walter shows a common checkout system whereby a customer may scan an item. See Fig. 1.

Walter Figure 1 is reproduced below:



Walter Figure 1 is said to depict “a perspective view of a self-service checkout apparatus constructed in accordance with the invention.”

Walter, col. 2, ll. 27-28.

Any differences between the claimed subject matter and the prior art

15. The claimed subject matter combines what is separately disclosed in the prior art.

The level of skill in the art

16. Neither the Examiner nor the Appellants have addressed the level of ordinary skill in the pertinent art of automated checkouts. We will therefore consider the cited prior art as representative of the level of ordinary skill in the art. *See Okajima v. Bourdeau*, 261 F.3d 1350, 1355 (Fed. Cir. 2001) (“[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error ‘where the prior art itself reflects an appropriate level and a need for testimony is not shown’”) (“[T]he absence of specific findings on the level of skill in the art does not give rise to reversible error ‘where the prior art itself reflects an appropriate level and a need for testimony is not shown’”) (quoting *Litton Indus. Prods., Inc. v. Solid State Sys. Corp.*, 755 F.2d 158, 163 (Fed. Cir. 1985)).

Secondary considerations

17. There is no evidence on record of secondary considerations of non-obviousness for our consideration.

PRINCIPLES OF LAW

Claim Construction

During examination of a patent application, a pending claim is given the broadest reasonable construction consistent with the specification and should be

read in light of the specification as it would be interpreted by one of ordinary skill in the art. *In re Am. Acad. of Sci. Tech Ctr.*, 367 F.3d 1359, 1369 (Fed. Cir. 2004). “[W]e look to the specification to see if it provides a definition for claim terms, but otherwise apply a broad interpretation. As this court has discussed, this methodology produces claims with only justifiable breadth. *In re Yamamoto*, 740 F.2d 1569, 1571 (Fed. Cir. 1984). Further, as applicants may amend claims to narrow their scope, a broad construction during prosecution creates no unfairness to the applicant or patentee. *Am. Acad.*, 367 F.3d at 1364.” *In re ICON Health and Fitness, Inc.*, 496 F.3d 1374, 1379 (Fed. Cir. 2007). Limitations appearing in the specification but not recited in the claim are not read into the claim. *E-Pass Techs., Inc. v. 3Com Corp.*, 343 F.3d 1364, 1369 (Fed. Cir. 2003).

Anticipation

“A claim is anticipated only if each and every element as set forth in the claim is found, either expressly or inherently described, in a single prior art reference.” *Verdegaal Bros., Inc. v. Union Oil Co. of Cal.*, 814 F.2d 628, 631 (Fed. Cir. 1987).

Obviousness

“Section 103 forbids issuance of a patent when ‘the differences between the subject matter sought to be patented and the prior art are such that the subject matter as a whole would have been obvious at the time the invention was made to a person having ordinary skill in the art to which said subject matter pertains.’”

KSR Int'l. Co. v. Teleflex, Inc., 550 U.S. 398, ___, 127 S. Ct. 1727, 1734 (2007). The question of obviousness is resolved on the basis of underlying factual determinations including (1) the scope and content of the prior art, (2) any differences between the claimed subject matter and the prior art, and (3) the level of skill in the art. *Graham v. John Deere Co.*, 383 U.S. 1, 17-18 (1966). *See also KSR*, 550 at ___, 127 S. Ct. at 1734 (“While the sequence of these questions might be reordered in any particular case, the [*Graham*] factors continue to define the inquiry that controls.”) The Court in *Graham* further noted that evidence of secondary considerations “might be utilized to give light to the circumstances surrounding the origin of the subject matter sought to be patented.” 383 U.S. at 18.

ANALYSIS

The rejection of claims 62-64 under 35 USC § 102(e) as being anticipated by Terranova.

Claim 62 reads as follows:

62. A method of generating revenue comprising:

providing a point of purchase device that is coupled to the retail purchasing device, the point of purchase device designed to dispense a product at the point of purchase; and

obtaining a fee paid from a supplier of the product in exchange for allowing the product to be dispensed from the point of purchase device.

“A determination that a claim is anticipated under 35 U.S.C. § 102(b) involves two analytical steps. First, the Board must interpret the claim language, where necessary. Because the PTO is entitled to give claims their broadest

reasonable interpretation, our review of the Board's claim construction is limited to determining whether it was reasonable. *In re Morris*, 127 F.3d 1048, 1055 (Fed. Cir. 1997). Secondly, the Board must compare the construed claim to a prior art reference and make factual findings that "each and every limitation is found either expressly or inherently in [that] single prior art reference." *Celeritas Techs. Ltd. v. Rockwell Int'l Corp.*, 150 F.3d 1354, 1360 (Fed. Cir. 1998)." *In re Crish*, 393 F.3d 1253, 1256 (Fed. Cir. 2004).

Turning to the first step in the analysis, claim 62 comprises two steps. We need not focus on the first step of claim 62 as there appears to be no dispute that Terranova explicitly describes the first step of claim 62. See FF 12. The dispute lies in the construction to be given the second step.

The Examiner took the position that "an owner of Terranova's device (18) can be construed to also be a supplier of the product, i.e., the fuel, that is dispensed from the point of purchase device, i.e., the fuel dispenser. Such an owner, who is also the supplier, and who makes profits from the sale of the fuel, is construed to also be paying himself a fee in the form of profits from the sale of the fuel." (Answer 4).

The Appellants argued that Terranova does not describe this second step. According to the Appellant, the Examiner's construction of the claim is inaccurate. "[The claimed second step] is not the same as obtaining profits for selling a particular item, as allegedly required in Terranova. Rather, a *quid pro quo* for some third party for putting the product in the point of purchase device is providing a fee." (App. Br. 22). The Appellants conceded that the Specification

does not define “supplier” but argued that the Examiner’s interpretation of the claim term “supplier” to include someone owning the Terranova gas pump is contrary to how the term would be interpreted by one of ordinary skill in the art in light of how the term is used in the Specification, which the Appellants alleged restricts the term “supplier” to third party suppliers. (Reply Br. 2-6). Thus, the Appellants argued that the second step of the claim refers to “a third party supplier [offering] money “in exchange for the right to” [relying on page 38, ll. 3-13 of the Specification] sell its product in the point of purchase device owned by another.” (Reply Br. 4).

We agree with the Examiner’s broad construction of the claim term “supplier” but we agree with the Appellants that the claim requires the supplier to pay a fee in exchange for allowing the product to be dispensed.

“Claim construction begins, as it must, with the words of the claims. *See Bell Communications Research, Inc. v. Vitalink Communications Corp.*, 55 F.3d 615, 619-20 (Fed. Cir. 1995).” *Vehicular Techs. Corp. v. Titan Wheel Int’l*, 141 F.3d 1084, 1088 (Fed. Cir. 1998). But we determine the scope of the claims in patent applications not solely on the basis of the claim language, but upon giving claims “their broadest reasonable interpretation consistent with the specification” and “in light of the specification as it would be interpreted by one of ordinary skill in the art.” *In re Am. Acad. of Sci. Tech. Ctr.*, 367 F.3d 1359, 1364 (Fed. Cir. 2004). Our interpretation of disputed language must be reasonable in light of all the evidence before the Board. *See In re Morris*, 127 F.3d 1048, 1055 (Fed. Cir. 1997) (“The question then is whether the PTO’s interpretation of the disputed claim

language is “reasonable.” ... We conclude that the PTO's interpretation is reasonable in light of all the evidence before the Board.”).

The claim term “supplier” is not defined in the Specification, nor do the Appellants point us to any definition in the Specification, such that the claim term “supplier” should be accorded a meaning different than its ordinary and customary meaning. Accordingly, the term “supplier” is to be given its ordinary and customary meaning, which is someone or something that provides. FF 3.

We note that the Appellants have argued that one of ordinary skill in the art reading the Specification would interpret the claim term “supplier” to mean *third party* suppliers. However, the Appellants have not pointed to any evidence on the record to support this view. Though the Appellants urge that one of ordinary skill in the art would *not* construe the claim in light of the Specification as broadly as the Examiner has contended, there is no objective evidence buttressing the Appellants’ suggestion that one of ordinary skill in the art would construe the claim so as to limit the scope of the term “supplier” to third-party suppliers. The Appellants’ attorney’s arguments are insufficient. They alone can not take the place of objective evidence in the record. *In re Pearson*, 494 F.2d 1399, 1405 (CCPA 1974).

However, the term “supplier” must be construed in the context of the claim; that is, in the context of the claim phrase “a fee paid from a supplier of the product in exchange for allowing the product to be dispensed from the point of purchase device.” Claims are to be construed as a whole. *See General Foods Corp. v. Studiengesellschaft Kohle mbH*, 972 F.2d 1272 (Fed. Cir. 1992). Accordingly,

notwithstanding that the term “supplier” in claim 62 broadly encompasses anyone or anything that provides a product, nevertheless, the claim further requires that the person or entity pay a fee “in exchange for allowing the product to be dispensed from the point of purchase device.” The ordinary and customary meaning of “fee” is a charge. FF 6. Accordingly, claim 62 requires a “supplier” of a product to pay a charge in exchange for allowing the product to be dispensed.

Given the ordinary and customary meanings of the terms “supplier” and “fee”, in the context within which these terms are used in claim 62, we find that the broadest reasonable construction of the claim as it would be interpreted by one of ordinary skill in the art in light of the Specification is such that claim 62 requires someone or something providing a product to pay a charge in exchange for allowing its product to be dispensed.

Turning now to the second step of the anticipation analysis.

Given that we have found no dispute that Terranova explicitly describes the subject matter of the first step of the claimed method, we take as undisputed that Terranova describes, per the first step of claim 62, “providing a point of purchase device that is coupled to the retail purchasing device, the point of purchase device designed to dispense a product at the point of purchase.”

As to the second step of claim 62, the question is whether Terranova describes, explicitly or inherently, (in light of the broadest reasonable construction of the claim) someone or something providing a product to pay a charge in exchange for allowing its product to be dispensed.

The Examiner took the position that an owner of Terranova's device could be construed to be a supplier of a product, i.e., the fuel, that is dispensed from the point of purchase device, i.e., the fuel dispenser. We agree with that view given the breadth of the claim term "supplier." However, we do not see that Terranova expressly describes such an owner paying a charge in exchange for allowing its product to be dispensed, as required by the second step of the claim.

Since Terranova does not expressly describe an owner paying a charge in exchange for allowing its product to be dispensed, Terranova must inherently describe the paying of this charge in exchange for allowing its product to be dispensed for Terranova to anticipate the claim.

In that regard, the Examiner argues that "[s]uch an owner, who is also the supplier, and who makes profits from the sale of the fuel, is construed to also be paying himself a fee in the form of profits from the sale of the fuel." (Answer 4). The difficulty with this argument is two-fold. First, the argument presumes that a profit is synonymous to a charge even though profits are normally considered to be gains or benefits rather than charges. Second, and more importantly, the claim requires, and Terranova does not disclose, paying the charge in *exchange* for allowing its product to be dispensed. Even if, assuming *arguendo*, a profit could be construed as a charge, there is nothing in Terranova to suggest that a profit is *necessarily* paid to an owner in *exchange* for allowing its product to be dispensed. While it is possible that an owner of Terranova's device might expect a profit as a precondition to allowing a product to be dispensed and thus require a profit in exchange for allowing a product to be dispensed, "[i]nherent anticipation requires

that the missing descriptive material is ‘necessarily present,’ not merely probably or possibly present, in the prior art.” *Trintec Indus., Inc. v. Top-U.S.A. Corp.*, 295 F.3d 1292, 1295 (Fed. Cir. 2002) (quoting *In re Robertson*, 169 F.3d 743, 745 (Fed. Cir. 1999)). While it may be well known that owner/suppliers expect profits in exchange for supplying their products, and that such common knowledge might lead one of ordinary skill in the art to substitute the required profit for a fee in exchange for supplying the product, this sort of rationale requires going beyond what Terranova describes. “If it is necessary to reach beyond the boundaries of a single reference to provide missing disclosure of the claimed invention, the proper ground is not § 102 anticipation, but § 103 obviousness.” *Scripps Clinic & Research Found. v. Genentech, Inc.*, 927 F.2d 1565, 1577 (Fed. Cir. 1991).

For the foregoing reasons, we find that the Appellants have shown error in the rejection because Terranova does not expressly or inherently describe all the limitations in claim 62. Accordingly, we reverse the rejection under §102 as to claim 62 and claims 63 and 64 that depend from it.

The rejection of claims 44-68, 76, and 102-111 under 35 USC § 103 over Bustos, Walter, and Terranova.

As to all the rejected claims, the Appellants argued that one of ordinary skill in the art would have no reason to combine or modify the references to arrive at the claimed invention because (a) Bustos, the principal reference the Examiner relied upon in rejecting the claims, “relates to a product vending system utilizing a pneumatic product delivery ... [where] the product dispensed is stored at a remote

location away from the actual dispensing device, which teaches away from the claimed invention” (App. Br. 22-23) which “stores products proximate to the point of purchase” (App. Br. 23); and, (b) “Bustos is not concerned with the problem solved by Appellants’ claimed invention” (App. Br. 23), that is, “providing a method for allowing point-of-purchase products to be dispensed and stored at self-scanning or other self-checkout counters to overcome the problems of limited shelf space for point-of-purchase products” (App. Br. 23).

(a) On the question of whether Bustos teaches away from the claimed invention, “[a] reference may be said to teach away when a person of ordinary skill, upon reading the reference, would be discouraged from following the path set out in the reference, or would be led in a direction divergent from the path that was taken by the applicant.” *In re Gurley*, 27 F.3d 551, 553 (Fed. Cir. 1994); *see KSR*, 550 at ___, 127 S. Ct. at 1739–40 (explaining that when the prior art teaches away from a combination, that combination is more likely to be nonobvious). Additionally, a reference may teach away from a use when that use would render the result inoperable. *McGinley v. Franklin Sports, Inc.*, 262 F.3d 1339, 1354 (Fed. Cir. 2001).”

Bustos clearly discloses a product dispenser located proximate to the automated checkout. FF 9. The issue, according to the Appellants, is whether one of ordinary skill would be led to store and dispense the dispensed products *proximate* to the automated checkout. According to the Appellants, Bustos would lead one of ordinary skill away from doing so. We disagree.

Bustos describes vending machines and drive-throughs, both of which place the stored and dispensed product *proximate* a checkout. E.g., col. 3, ll. 23-35. However, according to Bustos, there are problems associated with such an arrangement (e.g., no protection from environment) which Bustos overcomes by locating the products at some distance from the automated checkout. “It is one particular objective of the present invention to provide a vending system with the ability to automatically deliver and dispense or otherwise present products to customers at locations remote from the product storage area” Col. 3, ll. 51-55. Accordingly, Bustos views locating the product proximate the checkout as somewhat inferior to locating it away from the checkout. This does not qualify as a teaching away from the claimed invention. *Cf. Gurley*, at 553:

Gurley's position appears to be that a reference that “teaches away” can not serve to create a *prima facie* case of obviousness. We agree that this is a useful general rule. However, such a rule can not be adopted in the abstract, for it may not be applicable in all factual circumstances. Although a reference that teaches away is a significant factor to be considered in determining unobviousness, the nature of the teaching is highly relevant, and must be weighed in substance. A known or obvious composition does not become patentable simply because it has been described as somewhat inferior to some other product for the same use.

In the same vein, the Appellants further argue that modifying Bustos in light of Terranova and Walters would not only teach away from the claimed invention but would destroy the Bustos apparatus from operating as intended. (App. Br. 23). We are not persuaded by this argument.

The Appellants are correct that a reference may teach away from a combination when using it in that combination would produce an inoperative result. But we do not see how the placing of, for example, a vending machine beside Bustos's automated checkout renders Bustos inoperative. "When a patent 'simply arranges old elements with each performing the same function it had been known to perform' and yields no more than one would expect from such an arrangement, the combination is obvious." *KSR* at ___, at 1740.

To the extent the Appellants are construing the claim terms "proximate" and "juxtaposition" to imply a *single* machine integrating the functions of an automated checkout, product storage, and product dispenser and to thereby argue that the claims do not read on combining the use of a vending machine (Bustos) and an automated checkout (Walter), we agree with the Examiner (Answer 9) that "juxtaposition" is instead a relative term that does not exclude locating a vending machine and a checkout close together. We take the same view of the term "proximate." The Appellants point to no definition in the Specification, and we can find none, that would give the terms a meaning different from its ordinary and customary meaning, which is side by side ("juxtaposition") (FF 9) or near ("proximate") (FF 11). Accordingly, a vending machine placed beside an automated checkout would place it in "proximate" or in "juxtaposition" to the checkout.

(b) Regarding the Appellants' argument that there is no reason to combine the prior art to reach the claimed invention because Bustos is not concerned with the same problem that Appellants' are trying to solve (App. Br. 22-23), "[u]nder

the correct analysis, any need or problem known in the field of endeavor at the time of invention and addressed by the patent can provide a reason for combining the elements in the manner claimed.” *KSR* at ___, at 1742. “[T]he problem motivating the patentee may be only one of many addressed by the patent’s subject matter. The question is not whether the combination was obvious to the patentee but whether the combination was obvious to a person with ordinary skill in the art.” *In re Kemps*, 97 F.3d 1427, 1430 (Fed. Cir. 1996). Accordingly, this argument is unpersuasive as to error in the rejection.

Claims 44, 48, 49, 50, 56, 62, 65, 76, 102, and 106-111

The Appellants addressed the rejection of each of the independent claims 44, 48, 49, 50, 56, 62, 65, 76, 102, and 106-111 separately, arguing that “[t]he cited references alone, or in combination, fail to disclose or suggest” (App. Br. 24) a number of features said to be set forth in these claims. The dependent claims were not separately argued; accordingly, they stand or fall with the respective independent claims from which they depend. *See In re Dance*, 160 F.3d 1339, 1340 n.2 (Fed. Cir. 1998). 37 C.F.R. § 41.37(c)(1)(vii) (2008).

Claim 44

The Appellants argued that the cited references do not describe the method of claim 44 because they do not describe storing the product in juxtaposition to the automated check out and requires the automatic adding of a cost of the product to the cost of scanning it. (App. Br. 24 and Reply Br. 8).

We addressed *supra* the argument that the prior art would not have led one of ordinary skill in the art to store the product in juxtaposition to the automated check out. We incorporate herein our reasons why we find that argument is unpersuasive as to error in the rejection.

On the question of whether the cited references describe adding the cost of the product to the cost of the scanned items on display, the Examiner relies on Terranova (Answer 6) which, according to the Examiner, “teaches the concept of adding the cost of the dispensed product to the total cost of the customer’s bill.” (Answer 10). Appellants do not appear to dispute the Examiner’s position that Terranova describes the claimed cost limitation. Instead, the Appellants argue that Terranova teaches away because it describes the product being stored remotely. (App. Br. 24). Again, we refer to our reasons discussed *supra* for finding the argument over that distinction unpersuasive as to error in the rejection.

We also observe that the Appellants’ analysis in the Briefs attacks each reference individually. The test for obviousness is what the *combined* teachings of the references would suggest to those of ordinary skill in the art. *In re Young*, 927 F.2d 588, 591 (Fed. Cir. 1991); *In re Keller*, 642 F.2d 413, 425 (CCPA 1981). Whether or not an individual reference teaches a specific step of the claimed method is not dispositive of the question of obviousness. Non-obviousness cannot be established by attacking references individually where the rejection is based upon the teachings of a combination of references. *In re Merck*, 800 F.2d 1091, 1097 (Fed. Cir. 1986); *In re Keller*, 642 F.2d at 425.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 44 and claims 45-47 depending therefrom.

Claim 48

The Appellants argued that the references do not show a “touch screen.” (App. Br. 25 and Reply Br. 9). The Appellants appear to be arguing over a particular device commonly referred to as “touch screen,” connoting a flat monitor display with icons that when touched causes certain functions to occur, as opposed to a key pad. However, claim 48 nowhere calls for a “touch screen.” The claim calls for “touching a screen.” The Appellants go into some detail about the functions of a touch screen (see Reply Br. 10) but do not point to where in the claim these functions are described. Thus, the Appellants’ arguments are not commensurate in scope with what is claimed. Nevertheless, we see little or no difference between touching a keypad and touching a screen. That screens have displaced keypads as data entry machines is well known to those of ordinary skill in the art. (See e.g., Walter). Substituting Terranova’s keypad with a screen amounts to an obvious step of modernization. *Cf. Leapfrog Enterprises, Inc. v. Fisher Price, Inc.*, 485 F.3d 1157, 1162 (Fed. Cir. 2007): “one of ordinary skill in the art . . . would have found it obvious to combine the Bevan device with the SSR to update it using modern electronic components in order to gain the commonly understood benefits of such adaptation, such as decreased size, increased reliability, simplified operation, and reduced cost.” We see nothing in substituting

the keypad for a screen as “uniquely challenging or difficult for one of ordinary skill in the art.” *Id.* at 1161.

The Appellants also argued that none of the references describe storing the dispensed product at the point of purchase. (App. Br. 25). We refer the Appellants to the reasoning we used *supra* to find the argument that the references would not lead one to locate the stored and dispensed products proximate the checkout as unpersuasive as to error in the rejection.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 48.

Claim 49

The Appellants argued that none of the references describe automatically adding the cost of the product and prompting the consumer to purchase a product from the dispensing device. (App. Br. 25). We refer the Appellants to the reasoning we used *supra* with respect to claim 44 on the question of whether the prior art would suggest adding cost. With respect to prompting a consumer to purchase a product from a dispensing device, claim 49 does not specify what causes the “prompting.” Anything that would prompt a consumer to purchase a product would be encompassed by the claim. In that regard, we agree with the Examiner that media presentations and displays, like those shown in Terranova, can act as prompts for some consumers. See Examiner’s Answer 10-11.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 49.

Claim 50

The Appellants argued that none of the references describe storing the dispensed product at the point of purchase. (App. Br. 25-26). The Appellants also argued that the cited prior art does not show making the products available at the point of purchase. Reply Br. 11. We refer the Appellants to the reasoning we used *supra* to find the argument that the references would not lead one to locate the stored and dispensed products proximate the checkout as unpersuasive as to error in the rejection. We have pointed out that Bustos describes a product dispenser located in juxtaposition to the automated checkout and that does not appear to be in dispute. In operation, the Bustos dispenser makes products available at the point of purchase.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 50 and claims 51-55 depending therefrom.

Claim 56

The Appellants argued that none of the references describe stocking the dispensed product at the point of purchase. (App. Br. 26). We see little difference, if any, between stocking and storing. Accordingly, we refer the Appellants to the reasoning we used *supra* to find the argument that the references would not lead one to locate the stored and dispensed products proximate the checkout as unpersuasive as to error in the rejection. The Appellants also argued that, in contradistinction to Bustos which only shows one product being dispensed, the

claimed method provides many products from which a consumer may choose. (Reply Br. 12.) In that regard, Bustos contemplates providing a plurality of different products to the degree expected of a vending machine.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 56 and claims 57-59 depending therefrom.

Claim 62

The Examiner found the subject matter of these claims obvious under §103(a). See Answer 12-13. The Appellants responded by simply arguing that the prior art does not disclose or suggest obtaining a fee from a supplier of the product in exchange for allowing the product to be dispensed from the point of purchase device, i.e., the second step of the method recited in claim 62. (Reply Br. 13.) A general allegation that the art does not teach any of the claim limitations is no more than merely pointing out the claim limitations. A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim. 37 C.F.R. § 41.37(c)(1)(vii).

Accordingly, we find that the Appellants have not shown error in the rejection of claim 62 and claims 63 and 64 depending therefrom.

Claims 65, 76, 107, and 108

The Appellants argued that none of the references describe storing the dispensed product at the point of purchase. (App. Br. 26). We refer the Appellants to the reasoning we used *supra* to find the argument that the references would not

lead one to locate the stored and dispensed products proximate the checkout as unpersuasive as to error in the rejection.

Accordingly, we find that the Appellants have not shown error in the rejection of claims 65, and claims 66-68 depending therefrom, and claims 76, 107, and 108.

Claims 102 and 106

The Appellants argued that the references do not show touching a display. (App. Br. 26-27 and Reply Br. 9). We refer the Appellants to the reasoning we used *supra* with respect to the Appellants argument over the rejection of claim 48.

The Appellants also argued that none of the references describe storing the dispensed product at the point of purchase. (App. Br. 27). We refer the Appellants to the reasoning we used *supra* to find the argument that the references would not lead one to locate the stored and dispensed products proximate the checkout as unpersuasive as to error in the rejection.

Accordingly, we find that the Appellants have not shown error in the rejection of claim 102 and claims 103-105 depending thereon and claim 106.

Claims 49, 50, 56, 65, 76, 107- 111

The Appellants have made arguments with respect to these claims which simply state, in whole or in part, that the references do not disclose or suggest certain claimed features – without responding to the Examiner’s reasoning in establishing a *prima facie* case of obviousness. “It is not the function of this court

to examine the claims in greater detail than argued by an appellant, looking for nonobvious distinctions over the prior art.” *In re Baxter Travenol Labs*, 952 F.2d 388, 391 (Fed. Cir. 1991). A general allegation that the art does not teach any of the claim limitations is no more than merely pointing out the claim limitations. A statement which merely points out what a claim recites will not be considered an argument for separate patentability of the claim. 37 C.F.R. § 41.37(c)(1)(vii).

Accordingly, we find that the Appellants have not shown error by these arguments in the rejection of claim 50, and claims 51-55 depending thereon, claim 56, and claims 57-59 depending thereon, claim 65, and claims 66-68 depending thereon, and claims 49 , 76, and 107- 111.

CONCLUSIONS OF LAW

We conclude:

The rejection of claims 62-64 under 35 U.S.C. § 102(e) as being anticipated by Terranova is reversed.

The rejection of claims 44-68, 76, and 102-111 under 35 U.S.C. § 103 over Bustos, Walter, and Terranova is affirmed.

DECISION

The decision of the Examiner finally rejecting claims 44-68, 76, and 102-111 is affirmed.

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AFFIRMED

JRG

BELL, BOYD & LLOYD LLP
P.O. Box 1135
CHICAGO, IL 60690